ONESOURCE™ TAXSTREAM PROVISION

6.0 Enterprise Release Notes

RELEASE NOTES * NEW FEATURES * KNOWN ISSUES

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Release Overview

The following items were addressed in this release:

General

- *User Manual*: Interactive Enterprise User Manual is now embedded in Help tab
- **ONE**SOURCE *Integration*
  - For users in our Citrix Environment, Single Sign On with the **ONE**SOURCE platform is being rolled out during late Q3/Q4 of 2009.

Functionality

- *Active Workpapers*
  - User defined dynamic spreadsheets which are embedded and linked inside of a dataset. Please refer to Active Workpapers for more information.
- *Return to Provision (RTP) True-Up Posting*
  - Ability to post RTP adjustments for datasets that have been related via the Dataset Relations functionality. Please refer to Dataset Relations for more information.
  - Dataset Relations: Ability to establish the datasets that should be associated to allow for RTP True-Up Posting.
- *Payable Reclass Posting*
  - Ability to migrate auto generated payable transactions for a specific unit to another 'parent' unit. To enable the payable reclass functionality, the system parameter SHOW_PAYABLERECLASS with a paramvalue of 1 must be setup. To reclass the auto generated payable transactions to another 'parent' unit, the unit level parameter PAYRECUNIT must be created for every unit where the payable is to be re-classed with a paramvalue of the parent unit code. The balances can be created for as many units as it is appropriate for.
  - The system parameter will add a "Recalc Payable Reclasses" button under the Data Review/DataSet area in the Navigator. Activate the transfer by clicking this button which will create the reversing entry and a reclass posting entry with the Transaction Type of "xxx-REC" and a Tag of C.
- *Restrict Read/Write Users*
  - Read/Write users can be restricted on Data Entry/Modification of Tax Adjustments or specified tags.
    - Dataset parameter for Tax Adjustments: RestrictTA with a paramvalue of the beginning of the code which should not be modifiable
    - Dataset parameter for Tags: RestrictTag_# where # represents the specified tag with a paramvalue of the specified tag. For example, RestrictTag_B with paramvalue of B would make any data entry with the B tag a read-only field for a Read/Write user.
- *Import/Export Numbers & Categories*
  - Optimized the functionality to significantly speed up the time required to import and export data
  - Temporary Diffs and State After Apportionment Temp Diffs: No longer need to override all rates in order to import successfully. Can now import "U" for rates. (*Corrected Issue*)
  - The import for #STD#, #SAATD# and #SATTD# no longer require every amount column to be filled out to import properly. (*Corrected Issue*)

    - Added the ability to export multiple datasets in a single step. Creates a separate file with the dataset name as the filename.
    - Ability to filter the export to only include a single unit or select subconsolidations.
- *Mass Update Country/Currency Rates*
    - Current and Deferred Tax Rates can now be populated, for units in a dataset, using rates established for the unit's assigned Country: Administration > System > Manage Countries/Currencies. The dataset parameter CountryRates with paramvalue of Y will display a Manage Country Rates screen that will allow the user to activates the countries necessary for the dataset. The rates can be overridden on a Unit by Unit basis if needed.
    - The Beginning and Ending Spot and Weighted Average FX Rates can now be populated, for units in a dataset, using rates established for the unit's assigned Currency: Administration > System > Manage Countries/Currencies. The dataset parameter CurrencyRates with paramvalue of Y will display a Manage Currency Rates screen that will allow the user to activate the currencies necessary for the dataset. The rates can be overridden on a Unit by Unit basis if needed.
- *Mass Update State Rates*
    - State Tax Rates for user-defined and pre-defined States can now be populated, for units in a dataset, using rates established for the States assigned: Administration > Manage States > States. The dataset parameter StateRates with paramvalue of Y will display a Manage State Rates screen that will allow the user to activate the states necessary for the dataset. The rates can be overridden on a Unit by Unit basis at the State level if needed.
- *Bridge*
    - Changed "Book Balance" to "Book Trial Balances"
    - Users are restricted to only bridge data to units where the user has been given access (*Corrected Issue*)
- *Dataset Rollover Scrunch Balances Option*
    - Temporary Differences can now be scrunched together on Dataset Rollover.
    - Ending temporary difference balances in a dataset for a unit that has the same code & C/NC status, but has multiple lines with different tags will rollover to create a single beginning balance with a tag designated by the dataset parameter SCRUNCH_TAG with a paramvalue of the tag letter.
    - Any balances with overridden deferred tax rates will be excluded from the scrunch process and will retain their original tag.
    - This functionality was formerly available as an external macro.
- *Autolink*
    - Autolink will only allow data to be posted to a dataset that is not marked as read-only (*Corrected Issue*)
- *Unknown Weighted Average FX*
    - When the PTBI policy is "Enter Local, USD; Calc FX" and the Local or the Reporting PTBI is zero, the system returns "Unknown" as the Weighted Average FX. The PTBI and other local amounts (perms, temps, etc.) will display as zeroes in reports in Reporting Currency and the user will be warned of the condition with the following error message "Unit(s) included in the report have an Unknown Weighted Average FX. Amounts in those units will be excluded in reporting currency." (*Corrected Issue*)
- *Filing Group FX Automation for Payable*

    - By setting the dataset parameter "PAYABLE_FXRATE_CALC" with a paramvalue of 1, the payable items will be posted with a calculated filing group FX Rate instead of the filing group's filing unit's Weighted Average FX Rate. The calculated FX is computed by: summing all Cash Fed Provisions in Local Currency and dividing by all Cash Fed Provisions in Reporting Currency. (*Corrected Issue*)
- *Writedown of Automated Valuation Allowance*
    - When the automated Valuation Allowance functionality is activated and the valuation allowances beginning balance is no longer required, the draw down no longer presents as a change in rate, but correctly displays as Deferred Only activity on the Deferred Balances and Effective Tax Rate reports. (*Corrected Issue*)
- *Amortized Amounts*
    - Added the ability to enter ending balance and calculate activity
    - Balance Sheet Only field added for Amortized Temporary Differences (*Corrected Issue*)
- *Payable Automation for Fiscal Year clients*
    - Fiscal Year clients using FISCAL_MONTHS_OFFSET parameter to determine the fiscal month end will now roll over ending balances to create beginning balances with the code BBAL with the date of fiscal year end plus 1 day. For example: If paramvalue is "-3", CPROV would post with a date of 9/30/CY and BBAL would post with a data of 10/1/PY. (*Corrected Issue*)
- *NOL Automation for Specific Codes*
    - When NOL Automation is activated and the unit has taxable income, the system no longer incorrectly considers Deferred Only amounts entered for NOL Temp Diffs or State After Apportionment Temp Diffs with the codes beginning "NOL_" or "S_NOL_" as having an impact on Current Tax Expense. (*Corrected Issue*)
- *Trial Balance/TBBS*
    - All trial balance data for a unit is deleted when a unit is deactivated. (*Corrected Issue*)
- *GlobalRegion parameter*
    - When the GlobalRegion system parameter is enabled and set to EUROPE the valuation automation now properly works and the Questionnaire Summary report displays. (*Corrected Issue*)
- *State Temp Diffs, State After App Temp Diffs & State After Tax Temp Diffs*
    - Now able to change the C/NC designation for these types of Temps (*Corrected Issue*)

Reporting

- *Currency Translation Adjustment (CTA)*
    - Added the ability to enter a CTA adjustment as well as the option to treat the CTA as either having an impact on Equity or P&L.
    - Please refer to New CTA Functionality for more information.
- *Plug In Reports*
    - Plug In Report functionality allows users to design custom reports that can be uploaded into their current instance without requiring a new build of the software each time a new report is added. Additionally, as users upgrade to new versions they will be able to reload their reports to restore them in the new builds.
    - The Plug In report design can be created in house by those clients who are familiar working with SQL query statements and XSL style sheets or these reports can be designed for the client by the Technology Consulting Group for a fee.

    - The report is configured in the Administration > System > Report Writer screen.
- *Universal Report Settings*
    - Ability to set the default view of the Tax Provision, Effective Tax Rate and Deferred Balances Reports for the instance.
    - The Report Settings screen can be found under Administration > Manage Restricted Features.
- *Net Deferred Assets/Liabilities Report*
    - AMT Functionality no longer creates AMT_SYS record for every unit with active parent record - now every unit/country combination does not display with zeros on this report. (*Corrected Issue*)
- *State Provision Summary*
    - In the breakout view of the report, it is no longer incorrectly summing the state rates in the Total column. (*Corrected Issue*)
- *Tax Provision Report*
    - Changed reporting line name from "Cash Provision" to "Return Basis Provision"
    - Changed reporting line name from "Rounding" to "FX Adjustment" when PTBI Policy "Enter Local, USD, FX; Calc Rounding" is used.
    - Export to Excel of Tax Provision Unit Breakout report now sorts the unit codes columns alphanumerically. (*Corrected Issue*)
    - Export to Excel of Tax Provision Unit Breakout Comparison Report: Removed "view detail" hyperlink from exported file. (*Corrected Issue*)
    - The State Deductible Tax state by state breakout is now suppressed when the USE_SPPROVISIONREPORTS system parameter is activated with the PROVISION_HIDE_STATES system parameter. (*Corrected Issue*)
- *Effective Tax Rate Report*
    - When the PTBI policy is "Enter Local, USD, FX; Calc Rounding" the rounding amount is now broken out on a separate line from the tax effected PTBI amount. (*Corrected Issue*)
    - The State PTBI (Federal) Rate Effect percentage now correctly displays in the State Breakdown -> Detail view. (*Corrected Issue)*
    - Federal Deducibility, when it is less than 100%, is now properly calculated in the State Breakdown view. (*Corrected Issue)*
- *Deferred Balances Report*
    - Consolidated level view will now display the breakout of all the columns configured in the Manage Deferred Rollforwards in the expanded (b/s) view. (*Corrected Issue)*
- *Equity Offset Report*
    - New report that details the Equity Offset (other side of the Journal Entry) for equity items entered as Balance Sheet Only for Temporary, NOL Temporary and After-Tax Temporary Differences.
- *Cash Payments Report*
    - New report that details the expected cash payment that will be due on the tax returns when filed.
- *State Deferred Balances Report*
    - Added an additional view for Pre-Tax & Post Apportionment balances at the state specific level

Administration

- *Interim Datasets*
  - In Manage Datasets for the Interim Dataset when the user chooses the Unit by Unit method for applying the forecast rate the True-Up unit is designated. If that True-Up unit does not have a parent record, the true-up adjustment now correctly posts for either federal or state. (*Corrected Issue)*
- *Tax Adjustments*
  - Tax Adjustments now have Type (Equity or P/L) and Source (Tag) fields associated with them.
  - All existing Tax Adjustments were defaulted to Type = P/L and Source/Tag = M.
- *Report Name Change*
  - Changed report name from "Wizard Analysis" to "Remote Data Collection Analysis"

Active Workpapers

Active Workpapers allows for Excel-based workpapers to be embedded with a dataset. The Excel cells can be directly related to data fields in TaxStream Enterprise.

- Allow users to use Excel to design worksheets which can pull raw data found in one or many units, such as PTBI, Perms, Temps, etc. The using the Excel functionality of formulas, mathematical logic can be built using additional information to create either ad hoc reports or to populate the results back to one or many unit's data entry fields in the dataset.
- Users that have externally maintained Excel spreadsheets which track or calculate historic items such as Capital Loss Carryovers, 382 or SRLY NOL Limitation and State Margin Tax can upload those spreadsheets. Each period the cell reference can be adjusted to choose that year's allowable portion.
- The functionality will also allow for data to be reclassed from one unit to another for reporting purposes or to simulate branch relationships.
- Excel workbook populated with data and mappings can be attached to a Dataset, Unit, State or Component depending on the level of detail the user is working with.

The Active Workpapers functionality requires an additional license to use. If you are interested in this functionality and have not yet seen a demo, please call your Account or Client Manager to set up a demo.

New CTA Functionality

Additional CTA

- Allows the ability to add an additional amount of CTA to be entered.
- The entry is made on the Misc. tab of the Unit details data entry screen and is only displayed as a Reporting Currency After Tax Rate amount.
- The entry field is activated via the systemparameter: SHOW_CTA with a paramvalue of 1.
- The amounts will be tracked and shown on reports with a system defined after tax temporary difference code and name: CTA_ADJ: CTA Entered Adjustment.

CTA through P/L or Equity

- There is now the option to choose CTA treatment on a Dataset level.
- The P/L CTA treatment option is activated via a dataset parameter: CTA_Alt_Calc with a paramvalue of 1.

- Option 1: Equity (existing functionality)
  - Computed CTA impacts:
    - Ending Payable accounts and is Offset in an Equity account
    - Ending Deferred Tax Asset/Liability accounts and is Offset in an Equity account

- Option 2: P/L
  - Computed CTA impacts:
    - Current Tax Expense and is Offset in a Taxes Payable account
    - Deferred Tax Expense and is Offset in the Ending Deferred Tax Asset/Liability accounts

Dataset Relations

RTP True-Up Posting with Dataset Relations

Datasets can now be associated to one another to create logical relationships for computing and posting the Return to Provision True-Up adjustments.

- Under the Administration > Manage Datasets screen, once a dataset is selected, an additional tab named Dataset Relations is displayed. This will allow a dataset that contains Return data for the Prior Year to be "related" with the Provision dataset for the Prior Year as well as the Provision Dataset for the Current Year where the True-Up adjustment should be booked.
- When the RTP Posting is triggered for the unit, the system will know which two datasets to compare to compute the true-up amount and which dataset should receive the posting of the true-up adjustment.
- The RTP Posting screen is displayed by adding the system parameter SHOW_RTPPOST with the paramvalue of 1.
- If the state amounts should be considered the system parameter POST_STATE should be added with the paramvalue of 1.
- If the Deferred Only or Balance Sheet Only entries should be considered the system parameter POST_DO & POST_BSO should be added with the paramvalue of 1.
- The default posting tag will be "R". To override that tag enter the dataset parameter RTPTAG with the paramvalue of the tag letter. The Deferred Only and Balance Sheet Only posting tag can be overridden with DORTPTAG and BSORTPTAG.

For Your Information

Known Issues

The following listing of known issues are being documented to notify the users of issues and to suggested alternative solutions. Many of these issues are currently being addressed and will be included in future releases of the software.

- *Categories*: When the symbols **>** and **<** are used when creating components in the Admin tab it will display **& lt;** and **& gt;**, respectively, on reports.
  - Alternative Solution: Avoid using symbols (<, >, &, ^, /, \, `, ") when creating component, sub consolidations and rollup names in the Admin tab.

- *CTA Functionality:* If SHOW_CTA is deactivated and there was data entered in the Additional CTA field the values will still show up on the Tax Provision, Deferred Balances (expanded b/s) and (expanded i/s) Reports.
  - Alternative Solution: The value entered in the Additional CTA field needs to be deleted before the parameter is deactivated in order for the amounts to not show up on the reports.

- *Deferred Balance Report:* In the CIR expanded b/s view, the rate change is being incorrectly calculated with the Weighted FX Rate instead of the Ending FX Rate.

- *Deferred Workpaper Report*: This report is not fully functional.

- *Effective Tax Rate Report*: The "Effect Rates Different than Statutory" column in the expanded view of the Consolidated & SubConsolidated views of this report doesn't reconcile to the "Effect of Rates Different than Statutory" row

- *Export Categories, Datasets, etc.:* When exporting and using Office 2007, the file type shows as .xls when you save the file from Enterprise, but when you open the file in Excel and Save As, the file name displays as "filename.xls" with quotes around it and file type is actually .xlsx
  - Alternative Solution: When Saving As, remove quotes from file name and change file type to the desired file type.

- *Filing Group - FX Automation*: The posting of the impact of NOLs and Valuation Allowances utilized/created on the child unit may not correctly translated to the parent unit if there are multiple foreign exchange rates (FX) being used in the filing group. The sum of the underlying units' amounts in their local currency is posted to the filing unit assuming they all have the same FX.

- *Interim*
  - When multiple states have been activated for a unit in Interim, if the total Current Apportionment Percentage for those states in the Actual section does not total 100% then a warning will display since more/less than 100% of the PTBI will be allocated in computing the current tax.
    - Alternative Solution: Activate an additional state to enter the percentage that the unit

is over or under allocated for state purposes. A query is available to quantify that percentage. See Chapter 4 of the Enterprise User Manual under the Interim Reporting section for more information.

- When the Forecasted Rate and the Interim Provision Report are Exported to Excel and there are more than 256 units, the report does not spill over to additional sheets.
  - Alternative Solution: Create subconsolidations of max 250 units and Export to SubConsolidated reports to Excel

- In Admin tab under Manage Datasets for the Interim Dataset when the user chooses a true-up unit (e.g. D1000) in the Unit by Unit basis D1000 will no longer have the option to be an excluded unit. If the basis is switched to the Overall basis, D1000 continue remains unable to be designated as an excluded unit.
  - Alternative Solution: Choose Unit by Unit and pick another unit (e.g. D2000) this will then allow D1000 to be excluded when the Overall basis is chosen.

- In Interim when the unit has been "excluded for foreign loss" and there is a PTBI amount entered for that unit in the Actual section, the system will rate effect that Actual PTBI with the Forecasted Tax Rate. On the Unit by Unit basis the Tax Provision report is displaying the PTBI and a 0% rate, but the PTBI is being rate effected and even though the tax is displaying as 0 it is being included in the total. On the Overall basis the Tax Provision report is displaying the PTBI and a overall forecast rate and tax is included in the total.
  - Alternative Solution: Only enter the Actual PTBI if it should be rate effected. If it should not be rate effected either exclude the PTBI or enter a 0% tax rate. If there is a 0% tax rate be sure to enter any discrete items for that unit as Tax Adjustments

- Interim State Provision Summary Report:
  - Requires system parameter "USE_SPPROVSUMMARYREPORTS" in order for this report to display properly.
  - In the "breakout by unit, states" and "subconsolidated by state" views a total is not displayed for "PTBI at Forecast Rate."

- State Summary/Provision Summary Reports: When using Unit by Unit method, the "breakout (subconsolidated by state)" view of these reports displays an incorrect forecasted rate, not properly including the impact of the true-up in the forecast rate

- Interim Effective Tax Rate report includes amounts from units which are designated to be treated as excluded

- Interim State Provision Report: Discrete items entered for states in excluded units display on the State Provision report.

- The Consolidated Interim Provision summary report displays zero values for PTBI at the Forecast Rate.
  - Alternative Solution: The correct values will display once the unit breakout view is clicked.

  - Interim Provision Report: Excluded units with entered Actual PTBI are rate effected with the forecast rate.

  - Forecast Rate Report: In Quarterly Variance View - State Forecasted Rate for 2nd column (either Q2 or Q3 depending on view) is incorrectly adding the Federal & State Forecasted Rates together. The Total Forecasted Rate Variance column then displays NaN.

- *NOL Automation:* If you manually enter Activity in the NOL Temporary Differences when NOL Automation is used (NOL Allowance Rate set lower than 100% and Base NOL Allowance set to 0), the Tax Provision Report displays incorrect NOL Reclass and Federal Taxable Income (Post-NOL) amounts. The NOL Reclass calculation adds the manually entered Activity amounts before multiplying by the NOL Allowance Rate. This results in an incorrect NOL Reclass amount and Federal Taxable Income (Post-NOL).

- *Payable Report*:
  - If there is a significant amount of line item information in the payable, the report in a Consolidated or large Sub-Consolidated view can take a long time to display or may fail.
    - Alternative Solution: The TS Database Query Analyzer functionality will allow the data to quickly display a report.
  - This report doesn't tie in local currency for a filing group parent when the children units are of different currencies.

- *Provision Tab Reports*: Differing rounding policies can cause amounts on the Tax Provision, Effective Tax Rate and Foreign/Domestic reports to be out of sync by a minimal amount

- *Sequential Reporting Dataset*: Beginning balances in the last dataset in the reporting dataset can be modified, but there is no impact on the ending balances of the reporting dataset.
  - Alternative Solution: To impact the reporting dataset correctly only never change beginning balances and only enter amounts as Activity, Deferred Only or Balance Sheet Only instead.

- *State Provision Summary breakout in Excel*: When Export to Excel is triggered via the right mouse click and there are more than 256 units/states combinations, the report does not spill over to additional sheets.
  - Alternative Solution: Use File -> Export to Excel instead of right mouse clicking and the report will spill over for the additional units/states.

- *State Provision Summary Report:* In the "subconsolidated by state" breakout the consolidated rates are being incorrectly summed up.

- *State Tax Prov Rpt Breakout:* The Total ETR does not tie to the ETR report and a mix of federal deductibility causes this report to not tie to other reports.

- *Temp Diff Summary Filing Group report*: In the "default" rollup, all temp diffs established in the categories will display on the report with zeros even if they are not in the current dataset.
  - Alternative Solution: Avoid the "default" rollup and only view data in a rollups which are configured to display categories that are in use.

- *Valuation Allowance Automation*: Not working properly if there is no After Tax Temporary Difference in the unit/filing group
  - Alternative Solution: Add an After Tax Temporary Difference to the unit/filing group

Items to Note

For your information:

Administer Users

- On the Administration Tab > System > Administer Users, after selecting a user from the list you can toggle between Access Rights and Notes for the user. Click the "Access" button twice to get to the Notes view initially.

Dataset Combine

- This functionality has limitations which should be reviewed before use. For more information, please refer to the Enterprise User Manual located on the Help tab.

Enable Quarterly PTBI

- The division has changed. Instead of adding rounding excess to the fourth quarter, each quarter now shows its own rounding. Check the rounding when the annual amount is not evenly divisible by 4.

Estimated Payments Tab

- The Data Entry section under Unit Details displays for foreign countries.

Filing Group Reports

- Effective Tax Rate report for Filing Groups is *not* yet available in Enterprise, but the report is available in iTaxStream.

Import

- The import log has been redesigned and no longer has the coloring for errors.
- Datasets: Updates are now permitted for "Type" and "Fiscal Period" through import.
- #UTDAM# Unit Temp Diff Amort and #UATTDAM# Unit AfterTax Temp Diff Amort tabs are not backwards compatible with Version 5.0.58. These tabs been to be converted to the Version 6.0 format in order to properly import.

New Functionality not available for Interim tab

- Active Workpapers
- CTA functionality
- Dataset Relations
- Export multiple datasets
- Payable reclass

Parameter

- SHOW_POSTRTP parameter is no longer valid.

Payable

- Payable amounts can not be entered with tag letter = "A"

Read Only Users

- Are now able to see the Data Review section in the Navigator, but still cannot edit this information. All the screens are displayed as Read Only.

For more information about any of the functionality/reports mentioned above, please refer to the Enterprise User Manual located on the Help tab.

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